

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Handloom Industry - National Co-operative Development Corporation - Margin Money Assistance of Rs.25.00 Lakhs [comprising of Rs.20.00 Lakhs as loan and Rs.5.00 Lakhs as subsidy] to Sri Akshaya Handloom Weavers Co-operative Production & Sales Society Ltd., Jammalamadugu, YSR District - Orders -Issued.

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INDUSTRIES AND COMMERCE (TEX) DEPARTMENT

G.O.Ms.No. 66

Dated:16-03-2012

Read the following:-

1. From the CH&T, Hyderabad, Lr.Rc.No.861/ 2011-K2, Dt. 28.02.2011.
2. Govt. of A.P. Lr.No.3030/Tex.2/2011, Dt.15.11.2011..
3. From the Managing Director, NCDC, Lr.No.NCDC:4-8/2011-TEXT (HLM)/235(SA10156), dated 22-12-2011
4. From the Commissioner of Handlooms & Textiles, A.P., Hyd., Lr.Rc.No.861/ 2011-K2, Dt.27.12.2011.
5. G.O.Rt.No.308, Finance (Exp.I&C) Department, 31-01-2012.

ORDER:-

In reference 1st read above, while forwarding an application along with project report in respect of Sri Akshaya Handloom Weavers Co-operative Production and Sales Society Ltd., Jammalamadugu, YSR District, the Commissioner of Handlooms, Textiles & Apparel Export Parks, Hyderabad has requested to consider and release an amount of Rs.51.37 Lakhs as Margin Money assistance from the National Co-operative Development Corporation for the year 2011-12, as per the terms and conditions.

2. In the reference 2nd read above, while recommending, the loan application of Sri Akshaya Handloom Weavers Co-operative Production and Sales Society Ltd., Jammalamadugu, YSR District was forwarded, duly enclosing the undertaking given by the society to the National Co-operative Development Corporation, New Delhi, for considering the request as per the terms and conditions.

3. In the reference 3rd read above, the Managing Director, National Co-operative Development Corporation, New Delhi has conveyed the sanction of Financial Assistance of Rs.25.00 lakhs comprising of Rs.20.00 lakhs as loan and Rs.5.00 lakhs as subsidy (subject to availability of subsidy from Government of India) to the Government of Andhra Pradesh towards Margin Money assistance to Sri Akshaya Handloom Weavers Co-operative Production and Sales Society Ltd., Jammalamadugu, YSR District, Andhra Pradesh, provided the NCDC's loan component of assistance to the Society is in the form of share capital or loan and subsidy component in the form of subsidy and subject to the following conditions:-

- (i) that the society shall furnish to the Corporation such returns, statements of accounts and other information, as may be prescribed or called for by the Corporation from time to time;
- (ii) that the society shall allow and afford facilities to the officers of the Corporation or any other person or persons nominated by it in this behalf to verify and inspect its books of accounts and other records; and
- (iii) that the society shall make arrangements to the satisfaction of the Corporation for the appointment of suitable administrative and technical / senior personnel for the business of the society.

4. The repayment schedule to the above sanction is for a period of 5 years and shall be recoverable in 5 annual equal installments along with interest, loan instalment will commence from the 1st anniversary of the deemed date of drawal of loan along with interest. There will be no moratorium on repayment of loan and payment of interest. The interest shall be levied at the rate prevailing at the time of actual release of funds and the present effective rate is 12.75%. In case of payment of instalment is not received on or before due date, normal rate (effective + 1%) would be applicable. In case of default in payment of instalment, penal interest @ 2.5% over and above the normal rate of interest shall be charged on the defaulted instalment for the period of delay. The other terms and conditions of the Corporation shall be according to NCDC Lr.No. NCDC:1-1/84-Budt, dated 15.10.1984 and No. NCDC:1-1/1990-Budt, dated 01-08-2011 and as amended from time to time.

5. The above loan assistance may be foreclosed and the loan assistance recover from the Society concerned, if :-

- (i) it is not utilized for the purpose for which it has been sanctioned;
- (ii) the society fails to furnish the returns, statement of accounts and other information as may be prescribed or called for by the Corporation from time to time; and
- (iii) if any of the other conditions are not fulfilled.

6. The above sanction is valid up to 30.06.2012 by which date the State Government shall provide full assistance to the Society and claim reimbursement from the National Co-operative Development Corporation.

7. In the reference 4th read above, the Commissioner of Handlooms, Textiles & Apparel Export Parks, Hyderabad has informed that the President of the said society has requested for release of funds to enable them to increase looms & release of payments to the weavers towards wages and requested the Government to sanction and release an amount of Rs.25.00 Lakhs comprising of Rs.20.00 Lakhs as loan and Rs.5.00 Lakhs as subsidy, towards Margin Money Assistance to Sri Akshaya Handloom Weavers Co-operative Production and Sales Society Ltd., Jammalamadugu, YSR District, under National Co-operative Development Corporation scheme of assistance, as per the terms of NCDC sanction letter.

8. After careful examination of the matter and keeping in view of the Budget Release Order issued by the Finance Department in the reference 5th read above, the Government hereby decided **to sanction Financial Assistance** of an amount of Rs.25.00 lakhs (Rupees Twenty Five Lakhs only) comprising of Rs.20.00 lakhs as loan and Rs.5.00 lakhs as subsidy to Sri Akshaya Handloom Weavers Co-operative Production and Sales Society Ltd., Jammalamadugu, YSR District, as sanctioned by the NCDC, as per the terms of NCDC sanction letter and **to release** the amount accordingly, to enable the Society to increase looms & release of payments to the weavers towards wages.

9. In the above Margin Money Assistance, the loan component of Rs.20.00 lakhs, sanctioned by the National Co-operative Development Corporation, is subject to the condition that the Society should strictly repay the instalments and accordingly the Director of Handlooms, Textiles & Apparel Export Parks, Andhra Pradesh, Hyderabad / the Vice-Chairman & Managing Director, Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO), Hyderabad shall maintain separate registers.

10. The expenditure sanctioned in para (8) shall be subject to the conditions stipulated by the National Co-operative Development Corporation, New Delhi, in the reference 3rd read above.

11. The expenditure of subsidy amount of Rs.5.00 Lakhs (Rupees Five lakhs only) shall be debited to the following Head of Account:-

“2851 - Village and Small Industries
MH.103- Handloom Industries
11 - Normal State Plan
SH(38)- Financial Assistance for Handloom and Textile Promotion
310 - Grant-in-aid
312 - Other Grants-in-aid”

12. The expenditure of loan amount of Rs.20.00 (Rupees Twenty Lakhs only) shall be debited to the following Head of Account:-

6860 – Loans for consumer industries
01 – Textiles –
MH-101 – Loans to Cooperative Spinning Mills
G.H.10- Centrally Sponsored Schemes
S.H.05- Margin Money to Co-operative Spinning Mills
001- Margin Money to Cooperative Spinning Mills

13. The Deputy Secretary to Government, Finance (DCM) Department, Andhra Pradesh Secretariat, Hyderabad is authorized to draw & disburse the loan amount of Rs.20.00 (Rupees Twenty Lakhs only) sanctioned in para (8) above by way of a cheque in favour of Director of Handlooms, Textiles and Apparel Export Parks, Hyderabad to the Director of Handlooms, Textiles & Apparel Export Parks, Hyderabad. The Director, Handlooms & Textiles and Apparel Export Parks, Andhra Pradesh, Hyderabad shall furnish the Utilization Certificate within one month from the date of drawal of the amount to the Office of the Managing Director, National Co-operative Development Corporation (T-Series), New Delhi, under intimation to the Government.

14. The Director of Handlooms, Textiles & Apparel Export Parks, Hyderabad / concerned Drawing & Disbursement Officer is authorized to draw the subsidy amount of Rs. 5.00 Lakhs (Rupees Five lakhs only) sanctioned in para (8) above and disburse the same to the concerned by way of a cheque. The Director of Handlooms, Textiles & Apparel Export Parks, Hyderabad shall furnish the Utilization Certificates within one month from the date of drawal of the amount to the Managing Director, National Development Corporation, New Delhi.

15. The Director of Handlooms, Textiles & Apparel Export Parks, Hyderabad / The Vice-Chairman & Managing Director, Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO), Hyderabad shall deduct the loan instalment amount sanctioned above from the concerned Society and remit the same to the State Government Account under Loan Receipt head, on the due dates, under intimation to the National Co-operative Development Corporation, New Delhi:-

“0049- Interest receipts
04- Interest receipts of State Government
195- Interest from Co-operative Societies
SH-14 APEX & Primary Weavers Coop. Societies”.

16. This order issues with the concurrence of Finance (Exp.I&C) Department, vide their U.O.No.289/6/Exp.I&C(4&5)/2012, Dt.01-02-2012, and as per the Budget Release Order issued in G.O.Rt.No.308, Finance (Exp.I&C) Department, dated 31-01-2012.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

AJAY MISRA
PRINCIPAL SECRETARY TO GOVERNMENT (FAC).

To
The Director of Handlooms, Textiles & Apparel Export Parks, Hyderabad
The Assistant Secretary to Government, Finance (DMC) Department.
The Vice-Chairman and Managing Director,
Andhra Pradesh State Handloom Weavers Co-operative
Society Limited (APCO), Hyderabad.
The Managing Director,
National Co-operative Development Corporation (NCDC),
4, Siri Institutional Area, Hauz Khas, New Delhi.
The Chief Director, National Co-operative Development Corporation,
2nd Floor, HACA Bhavan, Opp. Public Gardens, Hyderabad.
The President,
Sri Akshaya Handloom Weavers Cooperative Production and Sales Society
Ltd., Jammalamadugu, Y.S.R. District, through
the Director, Handlooms & Textiles and Apparel Export Parks,
Andhra Pradesh, Hyderabad.

Copy to:

The Finance (Exp.I&C)/ (BG) Department
The Accountant General Andhra Pradesh, Hyderabad.
The Pay and Accounts Officer, Hyderabad.
The Director of Treasuries of Accounts, Andhra Pradesh, Hyderabad.
The P.S. to Secretary to Chief Minister.
The P.S. to Minister for Handlooms and Textiles.
The Industries and Commerce (L&B) Department.
Stock File/Spare Copies.

// FORWARDED BY: ORDER//

SECTION OFFICER.